

8-1444

OGC HAS REVIEWED.

MEMORANDUM FOR: Director of Central Intelligence

25X1A9a

SUBJECT : Claim for Damaged Household Effects of [REDACTED]

REFERENCE : Memorandum for DCI from DD/S dtd 10 Oct 1955, subject:

"Claims for Damaged Household Goods of [REDACTED]"

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1. This memorandum contains a recommendation submitted for your approval. Such recommendation is contained in paragraph 8.

2. On 29 October 1955 you approved the payment of claims (reference memorandum) to [REDACTED] to reimburse them for damages to their household effects resulting from faulty packing under an Agency contract by [REDACTED], of Washington, D. C. Payment of these claims was recommended by the Deputy Director (Support) and the Inspector General, despite the fact that normally the Government would not reimburse for this type of damage. Because of their belief that the Agency had some responsibility in the matter, the claimants had relied on official Agency action to secure proper treatment for them under the Agency contract and were not furnished adequate advice as to their own responsibility and the type of action they should pursue to secure relief from the packer.

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3. The claim of \$246.14 submitted by [REDACTED] parallels those of [REDACTED] in that she is also an employee of [REDACTED] her dealings were with [REDACTED] under an Agency contract, and she received similar advice, or lack thereof, in the prosecution of her claim against the packer.

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4. In November 1950 [REDACTED] shipped household goods from [REDACTED] to Washington, D. C., which, upon their arrival here, were placed in the warehouse of [REDACTED]. Through the Transportation Division of the Office of Logistics she was given information which permitted her to add to the [REDACTED] shipment certain household effects which had remained in this country during her tour. [REDACTED] repacked and combined her goods and sent them to her at her next post of duty, [REDACTED], California. [REDACTED] attempted to secure an insurance policy which would cover any possible loss or damage, and actually placed insurance with an agent suggested by the Transportation Division.

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25X1A9a 5. Upon arrival at their destination the goods were found to have been seriously damaged en route, and a claim was submitted to the insurance company. At this time [REDACTED] was advised that she did not have the coverage she had expected when she purchased the policy, and therefore the claim was not accepted. Her list of damages was then submitted to the Agency and she was led to understand that the Agency was endeavoring to effect a settlement of her claim and that she could not sue privately. An investigation of the claims of [REDACTED] 25X1A9a and [REDACTED] by the Office of the General Counsel determined that the three-year statute of limitations applicable in the District of Columbia barred the possibility of personal legal action, and this limitation is also applicable to [REDACTED] claim. 25X1A9a

25X1A9a 6. The Headquarters Board of Survey has reviewed this case and unanimously concludes that [REDACTED] claim should be an overt personal claim against the packer and that it is not within the Board's purview under [REDACTED] 25X1A

7. The Board, however, suggests that consideration should be given to the circumstances surrounding the claim and points out that the Agency has the same moral responsibility for [REDACTED] situation as it had in the cases of [REDACTED] 25X1A9a 25X1A9a

25X1A9a 8. [REDACTED] present position and financial hardship can be attributed in part to the incomplete advice on the part of Agency officials and the slow handling of her claim by the Agency. Because of the fact that the Agency has contributed to the inability of [REDACTED] to secure remedies under law, I believe we should accept the responsibility for her claim. Therefore, I recommend that you authorize, under your special authority, payment of her claim of \$246.14. 25X1A9a

L. K. WHITE
Deputy Director
(Support)

SA-DD/S:RBS:mrp (30 March 1956)

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APPROVED:

ALLEN W. DULLES
Director of Central Intelligence

Date